

CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING

DATE OF MEETING: Thursday, October 15, 2020
TIME OF MEETING: 4:00 p.m.
PLACE OF MEETING: Zoom/ City of Muskegon Government Facebook Page

AGENDA

- I. Roll Call
- II. Approval of Minutes from the regular meeting of September 10, 2020.
- III. Public Hearings
 - A. Hearing, Case 2020-17: Request for a Special Use Permit to operate a food pantry at 1132 W Southern Ave, by Harbor of Grace.
 - B. Hearing, Case 2020-18: Request to amend Section 2331 of the zoning ordinance to expand the marihuana facilities overlay district to allow for microbusiness, social use and event license types at 420 S Harvey St, by Michigan Canna House, LLC.
 - C. Hearing, Case 2020-19: Request to amend Section 2331 of the zoning ordinance to expand the marihuana facilities overlay district to allow for microbusiness at 1700 Lakeshore Dr, by Stag Properties, LLC.
- IV. New Business
 - A. Marihuana district expansion proposal
- V. Old Business
- VI. Other
- VII. Adjourn

AMERICAN DISABILITY ACT POLICY FOR ACCESS TO OPEN MEETING OF THE
CITY COMMISSION AND ANY OF ITS COMMITTEES OR SUBCOMMITTEES

The City of Muskegon will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities who want to attend the meeting, upon 24- hour notice to the City of Muskegon. Individuals with disabilities requiring auxiliary aids or services should contact the City of Muskegon by writing or

calling the following:
Ann Meisch, City Clerk
933 Terrace Street
Muskegon MI 49440

CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING
MINUTES

September 10, 2020

This meeting was held electronically via Zoom. Chairperson T. Michalski called the meeting to order at 4:00 p.m. and roll was taken.

MEMBERS PRESENT: J. Montgomery-Keast, L. Spataro, B. Larson, S. Gawron, B. Mazade, J. Doyle, E. Hood, T. Michalski

MEMBERS ABSENT: F. Peterson

STAFF PRESENT: M. Franzak, D. Renkenberger

OTHERS PRESENT: None

APPROVAL OF MINUTES

A motion to approve the Minutes of the special Planning Commission meeting of August 20, 2020 was made by J. Montgomery-Keast, supported by L. Spataro and unanimously approved.

PUBLIC HEARINGS

Hearing, Case 2020-15: Staff-initiated request to rezone all single-family (R-1, R-2, R-3) and duplex (RT) parcels in the McLaughlin, Angell and Jackson Hill neighborhoods to Form Based Code, Urban Residential (FBC-UR). M. Franzak stated that city staff had been working with various neighborhoods to identify problem areas and reduce the number of large multiplexes. Although multiplexes were important for affordability, the size needed to be limited so they fit in with the neighborhood. It was discovered that the zoning in the McLaughlin, Angell and Jackson Hill neighborhoods didn't match the reality of existing homes in those areas, which were single-family, duplex and small multiplex (3- to 4-unit) homes. Current zoning allowed only single-family homes, making all other home types non-conforming according to the zoning ordinance. Non-conforming properties were susceptible to disinvestment due to issues with financing, obtaining insurance, and rebuilding, which tended to create a lot of unusable space. He stated that the proper zoning designation would promote reinvestment within the neighborhoods, and staff was proposing to rezone the 3 neighborhoods to allow the types of homes that already existed there, but were considered non-conforming. New duplexes/small multiplexes could then be built on appropriate lots which would reduce many of the problems associated with existing multi-family homes. Staff also proposed that small-multiplexes be allowed only where alleys were present, as alleys reduced privacy/noise issues associated with multi-family homes. Staff provided rental maps of the neighborhoods, showing that they were already made up of various missing-middle housing types. Photos of properly- and improperly-zoned housing were also provided, illustrating the aesthetic difference that proper zoning could make.

J. Montgomery-Keast asked if the proposal would cause the current non-conforming homes to become conforming. M. Franzak stated that it would if they met all the requirements, and it would help homeowners in obtaining insurance on their properties.

There were no public comments. A motion to close the public hearing was made by B. Larson, supported by

J. Doyle and unanimously approved.

A motion that the request to rezone all single-family (R-1, R-2, R-3) and duplex (RT) parcels in the McLaughlin, Angell and Jackson Hill neighborhoods to Form Based Code, Urban Residential (FBC-UR) be recommended to the City Commission for approval was made by L. Spataro and supported by B. Larson, with discussion continuing on the motion.

B. Mazade stated that he was not opposed to Form Based Code zoning, but he was concerned about how this rezoning would affect existing single-family homes. L. Spataro stated that the Nelson Neighborhood had been a kind of test case for Form Based Code zoning, and he was very comfortable with it. There had been a number of town hall meetings with the residents, which had identified issues including lender financing of homes considered “non-conforming”. He stated that the proposed FBC-Urban Residential zoning addressed many types of past issues.

A vote was taken on the motion to approve the request, which passed with J. Montgomery-Keast, L. Spataro, B. Larson, S. Gawron, J. Doyle, E. Hood, and T. Michalski voting aye, and B. Mazade voting nay.

Hearing, Case 2020-16: Staff-initiated request to amend the FBC, UR section of the zoning ordinance to restrict three- and four-unit homes to parcels that have an alley or other recorded rear access easement for vehicles. M. Franzak stated that this case was related to the previous case, and sought to amend the FBC-UR ordinance to allow multi-unit homes by right, with a 4-unit-maximum, only when useable alley or a rear-access easement was present.

L. Spataro asked about large parcels without a rear alley that would otherwise allow multiplex development, and if a developer would be able to add an alley. M. Franzak stated that a developer could request to add an alley, or other creative solutions such as installation of a long driveway extending to the rear of a property.

There were no public comments. A motion to close the public hearing was made by B. Larson, supported by J. Montgomery-Keast and unanimously approved.

A motion that the request to amend the FBC, UR section of the zoning ordinance to restrict three- and four-unit homes to parcels that have an alley or other recorded rear access easement for vehicles, be recommended to the City Commission for approval, was made by J. Montgomery-Keast, supported by L. Spataro and approved, with J. Montgomery-Keast, L. Spataro, B. Larson, S. Gawron, J. Doyle, E. Hood, and T. Michalski voting aye, and B. Mazade voting nay.

NEW BUSINESS

None

OLD BUSINESS

New development on Western Ave near 8th St. – L. Spataro stated that he liked what was being done with the redeveloped lot on Western Ave and 8th St, but that the outdoor patio was not handicap-accessible. He stated that it was important in the design phase of these projects to ensure that all new development was accessible and welcoming to all. M. Franzak stated that he would discuss this with the developer.

There being no further business, the meeting was adjourned at 4:45 PM.

DR

STAFF REPORT
OCTOBER 15, 2020

Hearing, Case 2020-17: Request for a Special Use Permit to operate a food pantry at 1132 W Southern Ave, by Harbor of Grace.

SUMMARY

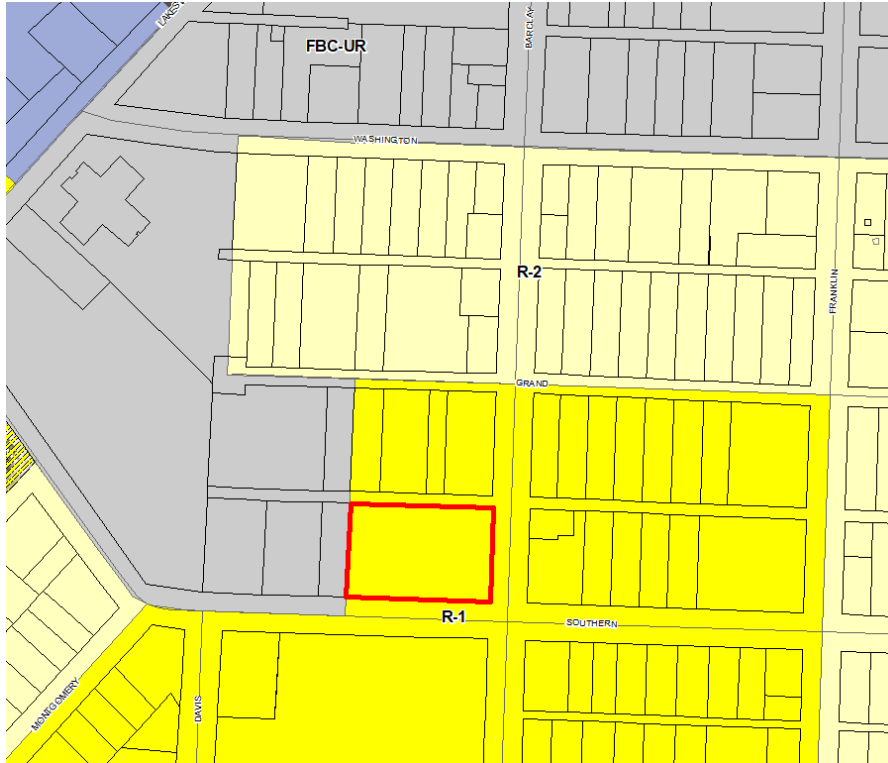
1. The property is zoned R-1, Low Density Single Family Residential.
2. Harbor of Grace Church operates out of the building. They have occasionally operated a small food pantry a few times a month, but now would like to increase the size of the pantry and hours of operation.
3. Churches are allowed in R-1 zones under a special use permit and any additional uses should be included in the initial approval. Staff determined that while a food pantry is great for the community, additional traffic into residential neighborhoods should include a notice to the public.
4. Notice was mailed to everyone within 300 feet of the property. At the time of this writing staff had not received any comments.

1132 W Southern



Pantry located in the back left building.

Zoning Map



Aerial Map



STAFF RECOMMENDATION

While located within a residential neighborhood, the pantry building is isolated from most of the homes nearby. Easy access to the parking lot should limit traffic concerns. Staff recommends approval of the request.

DELIBERATION

I move that the special land use permit to operate a food pantry at 1132 W Southern Ave by Harbor of Grace be (approved/denied).

Hearing, Case 2020-18: Request to amend Section 2331 of the zoning ordinance to expand the marihuana facilities overlay district to allow for microbusiness and designated consumption establishment at 420 S Harvey St, by Michigan Canna House, LLC.

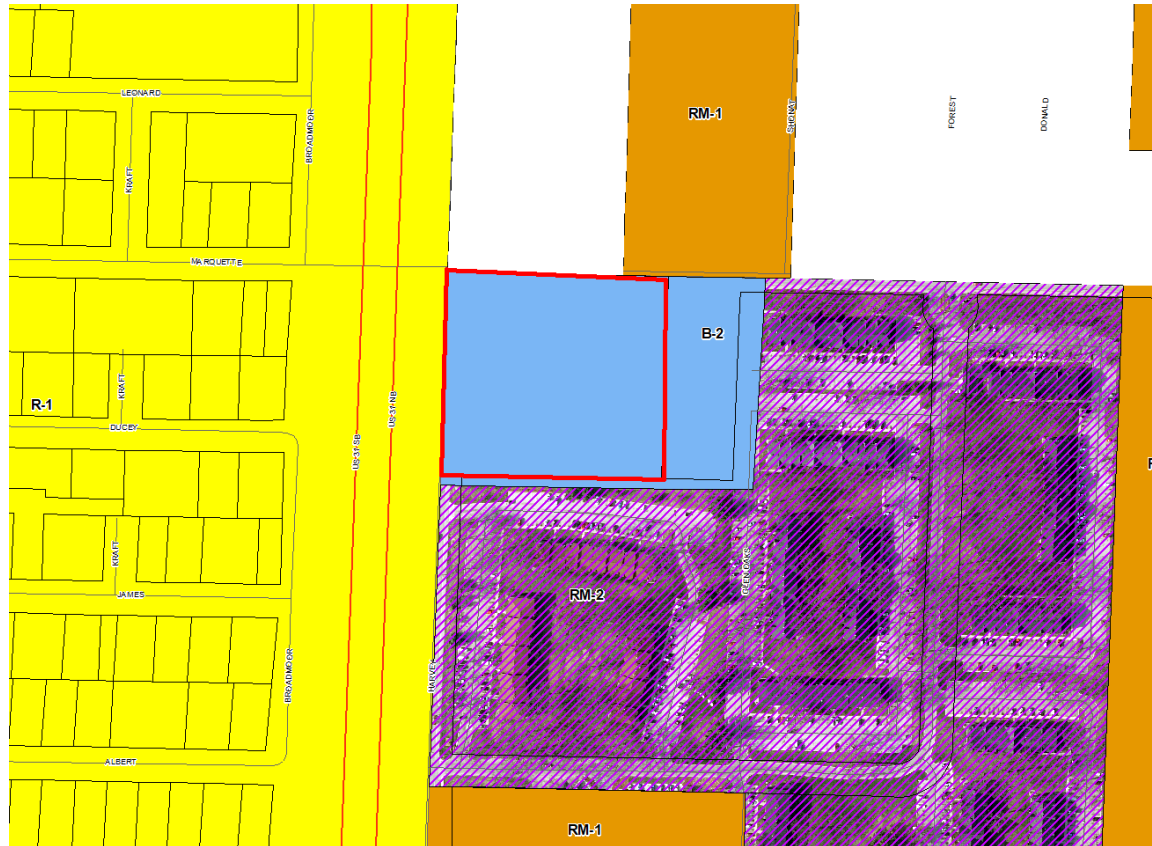
SUMMARY

1. The property is zoned B-2, Convenience & Comparison Business District.
2. The applicant is requesting to expand the marihuana overlay district to allow for the microbusiness and consumption license types.
3. The applicant is not the owner of the property.
4. Notice was sent to properties within 300 feet of the property. At the time of this writing staff had not received any comments.

420 S Harvey St



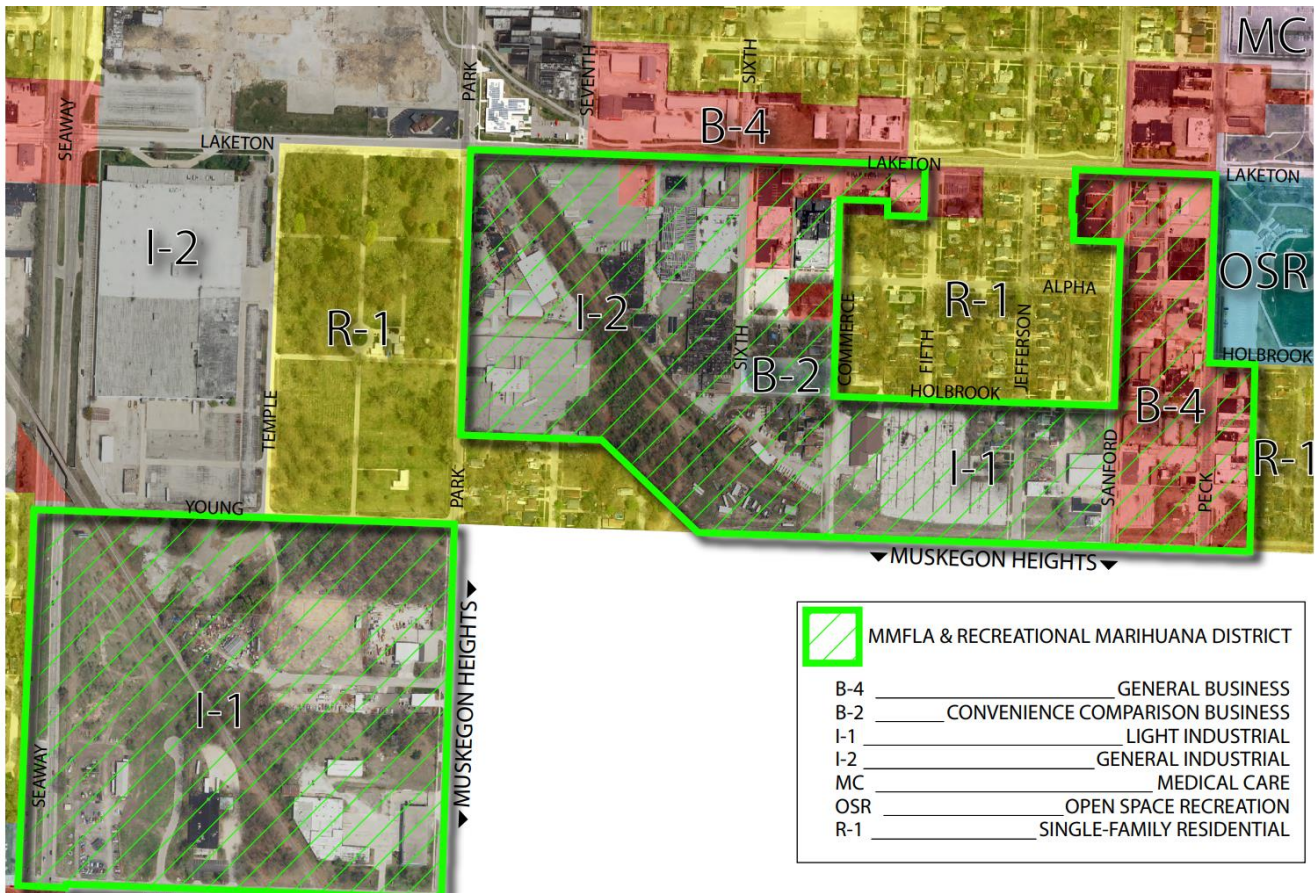
Zoning Map



Aerial Map



Properties in the Current Marihuana Overlay District





STAFF RECOMMENDATION

Staff encourages the Planning Commission to consider the proposed marihuana facilities overlay district amendment (new business) that would allow microbusinesses in the same districts that caregivers are allowed, with a special use permit.

DELIBERATION

I move that request to amend Section 2331 of the zoning ordinance to expand the marihuana facilities overlay district to allow for microbusinesses and designated consumption establishments at 420 S Harvey St, by Michigan Canna House, LLC be (approved/denied).

Hearing, Case 2020-19: Request to amend Section 2331 of the zoning ordinance to expand the marihuana facilities overlay district to allow for microbusiness at 1700 Lakeshore Dr, by Stag Properties, LLC.

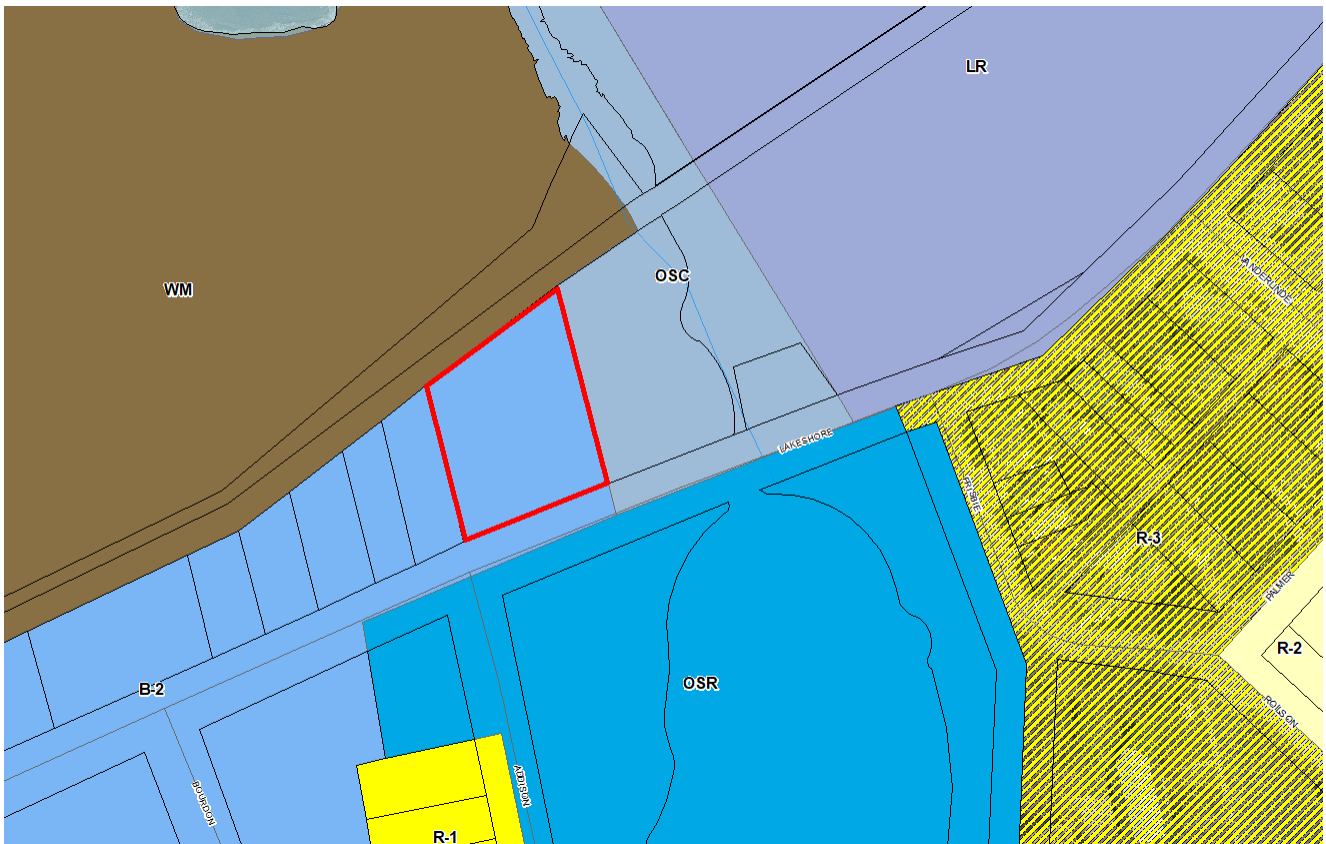
SUMMARY

1. The property is zoned B-2, Convenience & Comparison Business District.
2. The applicant is requesting to expand the marihuana overlay district to allow for the microbusiness license type.
3. The applicant is not the owner of the property.
4. Notice was sent to properties within 300 feet of the property. At the time of this writing staff had not received any comments.

1700 Lakeshore Dr



Zoning Map



Aerial Map



STAFF RECOMMENDATION

Staff encourages the Planning Commission to consider the proposed marihuana facilities overlay district amendment (new business) that would allow microbusinesses in the same districts that caregivers are allowed, with a special use permit.

DELIBERATION

I move that request to amend Section 2331 of the zoning ordinance to expand the marihuana facilities overlay district to allow for microbusinesses at 1700 Lakeshore Dr, by Stag Properties, LLC be (approved/denied).

New Business

Excerpt from the upcoming City Commission work Session packet on October 12:

In recent City Commission meetings, some Commission members have stated that they would like staff to research ways for local caregivers to have an opportunity to get into the recreational industry. A total of 18 Caregivers currently operate in several different business and industrial corridors throughout the City. Caregivers are allowed to collocate, so some buildings host up to a few hundred plants. Sometimes these buildings can cause odor nuisance issues when located near residential areas. This, along with other concerns from citizens, makes it difficult to allow for many marihuana license types outside of the current overlay zones. However, microbusinesses allow for the cultivation (only up to 150 plants), processing and sales of marihuana out of a single building. This license type is very affordable (\$8,000 compared to \$25,000 for retailer), making it more feasible for smaller-scale, local entrepreneurs to get into the industry. The 150 plant restriction would also reduce the possibility of odor nuisances. It also appears to be the license type that most caregivers are seeking.

There are two local marihuana entrepreneurs petitioning for two different properties to be rezoned to allow for microbusinesses at the October Planning Commission meeting. However, instead just rezoning these two parcels, staff encourages the Commission to consider creating a new microbusiness ordinance that would allow all caregivers the opportunity to participate throughout the City. Staff has also recently received a few other requests to allow for microbusinesses in other business corridors.

A major issue with getting local entrepreneurs into the recreational industry is the fact that many do not currently own a building in an approved overlay district. These overlay districts have lead to dramatic increases in property values, essentially pricing out many locals. Staffs proposal should eliminate this concern.

Staff proposes to allow microbusinesses in the same zoning districts that we allow caregivers (B-2, B-4, MC, I-1, I-2.) as long as they obtain a special land use permit from the Planning Commission. Special use permits are parcel and applicant specific, which should eliminate the land speculation problem. If an applicant is approved at a location, that applicant is the only one approved for the use at that property. Any new applicant at that location would require their own special land use permit. Allowing these permits throughout the City would eliminate the need to be in a certain location, eliminating the land speculation. It would also restrict the building owner from obtaining the necessary zoning approval, then selling the building to the highest bidder rather than the applicant they have been working with from the beginning.